



STATE OF NEW JERSEY

Board of Public Utilities

*Two Gateway Center
Newark, NJ 07102*

TELECOMMUNICATIONS

IN THE MATTER OF APPLICATION OF)	
BELL ATLANTIC-NEW JERSEY, INC. N/K/A)	<u>ORDER APPROVING</u>
VERIZON NEW JERSEY INC. FOR)	<u>RESALE AGREEMENT</u>
APPROVAL OF A RESALE AGREEMENT)	
WITH A.R.C. NETWORKS, INC. UNDER)	
SECTION 252 OF THE TELECOMMUNI-)	
CATIONS ACT OF 1996)	DOCKET NO. TM99100746

(SERVICE LIST ATTACHED)

BY THE BOARD:

I. BACKGROUND

By letter dated October 1, 1999, Bell Atlantic-New Jersey, Inc. n/k/a Verizon New Jersey Inc. (Verizon NJ) filed an application (Application) for approval of a negotiated Resale Agreement (the Agreement) between Verizon NJ and A.R.C. Networks, Inc. (A.R.C.) (individually, a Party and jointly, the Parties) with the Board of Public Utilities (Board) pursuant to Section 252(e) of the Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. §151 et seq. (the Act). By letter dated October 1, 1999, A.R.C. authorized Verizon NJ to file the application on its behalf.

II. RESALE AGREEMENT

The Agreement, dated August 24, 1999, sets forth the terms, conditions and prices under which Verizon NJ will offer and provide to A.R.C. telecommunications services available for resale and resale support services within each Local Access and Transport Area (LATA) in which they both operate within New Jersey. Attachment 1 to Exhibit II of the Agreement sets forth a detailed schedule of itemized charges. A key provision of the Agreement provides for Verizon NJ to offer its telecommunications services for a wholesale discount of 17.04%, if A.R.C. uses Verizon NJ operator services, and 20.03%, if A.R.C. provides its own operator services. Other key provisions of the Agreement provide for: (1) customers to retain their telephone numbers when they switch to A.R.C.; (2) customers' primary listings in the White Pages and Yellow Pages (for business customers) directories and directory assistance databases; and (3) the provision of 911 services to all customers. The Agreement shall remain in effect from the effective date through the Initial Term Ending Date of August 23, 2000, after which it shall remain in effect until terminated as provided in the Agreement.

The Agreement provides that, to the extent required by applicable law, the Verizon NJ operations support systems (OSS) services that will be offered by Verizon NJ to A.R.C. shall be the same as the Verizon NJ OSS services Verizon NJ offers, under agreements approved by the Board pursuant to 47 U.S.C. §252, to other telecommunications carriers that are engaged in the resale of Verizon NJ retail telecommunications services pursuant to 47 U.S.C. §251(c)(4).

The Agreement provides that Verizon NJ shall have the right to change the prices for such Verizon NJ services from time-to-time and to the extent such change is required, approved or permitted by applicable law, including, but not limited to, by regulation or order of the Board, the Federal Communications Commission (FCC), or other governmental entity of appropriate jurisdiction.

III. DISCUSSION

Pursuant to 47 U.S.C. §252(a)(1), an incumbent LEC may negotiate and enter into a binding interconnection agreement with a carrier requesting interconnection, services or elements without regard to the standards set forth in 47 U.S.C. §251(b) and (c).

47 U.S.C. §252(e)(1) requires approval by the Board of any interconnection agreement adopted by negotiation or arbitration, and further requires the Board to approve or reject the Agreement, with written findings as to any deficiencies. The Act provides that the Board may reject a negotiated agreement only if it finds that:

- (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience and necessity.

[47 U.S.C. §252(e)(2)(A)].

The Board notes that, pursuant to 47 U.S.C. §252(e)(4), this Resale Agreement has been deemed approved. Nevertheless, the Board's review of the Agreement in this matter indicates that the Agreement is consistent with the public interest, convenience and necessity, and that the Agreement does not discriminate against telecommunications carriers not parties to the Agreement. Therefore, the Board FINDS that the Agreement meets the standards set forth in the Act, and HEREBY APPROVES the Agreement as presented by the Parties. This approval should not be construed as preapproval of any future petitions for rate recovery of costs incurred pursuant to the Agreement. Approval does not constitute a determination concerning Verizon NJ's obligations pursuant to Section 271 of the Act, although this Agreement will be taken into consideration in that determination. In addition, approval does not constitute a determination concerning, nor shall the Board be bound by, provisions within this Resale Agreement regarding the confidentiality of information.

Additionally, the Board DIRECTS the Parties to conform to all federal and state statutes and Board regulations regarding service quality standards and customer relations, as applicable, including, but not limited to, those related to the resale of telecommunications services, the solicitation of resale customers and the submission of primary interexchange and local exchange carrier change orders to local exchange carriers.

Pursuant to 47 U.S.C. §252(h) a copy of the Agreement will be made available for public inspection and copying within ten days of the issuance of this Order. Subsequent amendments or modifications of the Agreement are subject to review and approval by the Board.

DATED: 5/9/01

BOARD OF PUBLIC UTILITIES
BY:

(signed)
CAROL J. MURPHY
ACTING COMMISSIONER

(signed)
FREDERICK F. BUTLER
COMMISSIONER

ATTEST:

(signed)
FRANCES L. SMITH
SECRETARY